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SENSITIVE

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E.O. 12958: N/A
TAGS: <u>ELAB ETRD PHUM PREL CH</u>
SUBJECT: SHANDONG PRISON LABOR VISIT

- (U) This message is sensitive but unclassified and for official use only. Not intended for distribution outside USG channels.
- 11. (SBU) On May 11, 2009, officials from the U.S. Embassy, Beijing, visited the Luzhong Prison in Zibo City, Shandong Province. This visit was part of the U.S. Immigration and Customs Enforcement (ICE) investigation to resolve allegations of exports to the United States of porcelain products manufactured with prison labor.
- 12. (SBU) During the visit to the Luzhong Prison Embassy officials met with Warden Zhang Yijia and other local prison officials. Zhang provided a briefing on the overall operations and management of Luzhong Prison as well as past and current manufacturing at the prison.
- 13. (SBU) During the meeting and visit, no evidence was found to substantiate the initial allegations. According to Zhang and other officials the prison conducted cement manufacturing and coal mining operations in the past and now produces plastic packaging, primarily for nearby chemical companies. Zhang said they do not export these products and do not supply chemical companies that are exporting. Emboffs were given a tour of a large part of Luzhong Prison's living and activity areas, as well as Lu Zhong Prison's manufacturing area where plastic bags were being produced.
- 14. (SBU) Zhang said he is aware of the allegations of porcelain products made with prison labor being exported to the United States. Zhang said these allegations may be a result of nearby porcelain factories, one of which is immediately adjacent to the prison and employs some family members of prison staff. Embassy officers visited the adjacent Shandong Zibo Maolong Ceramics Company and spoke with Deputy Director Wang Li'na. Wang said the company is a private enterprise and has no past or present ties to Luzhong Prison. Some factory employees are the family members of prison staff, but this is only because many prison staff live nearby, according to Wang. (Note: The Shandong Zibo Maolong Ceramics Co. is one of the companies named in the allegations and the company's representatives have previously met with ICE Beijing. End Note.)

15. (U) ICE officials closed case number BJ07SR07SN0004 stemming from the allegations.

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